

May 14, 2008

Obey RELUCTANTLY SUPPORTS PASSAGE OF NEW FARM BILL

Says Imperfect Bill Represents Improvement Over Current Farm Policy □ □

WASHINGTON, D.C. - Seventh District Congressman Dave Obey (D-WI) said today that he reluctantly voted for the new Farm Bill.

"The bill the House passed today is not a good bill," Obey said. "But I reluctantly voted for it because it is better than existing law for farmers and better than existing law for taxpayers."

Obey pointed to a number of areas where the bill improves on current law:

- it improves the Milk Income Loss Contract (MILC) program, a vital supplemental payment program for Wisconsin's family farmers at times of low prices that Obey and Senator Herb Kohl have championed for 10 years, and includes an important new feed cost adjuster to reflect the fact that while dairy farmers have been getting better prices for their milk, they are

paying much higher prices for feed and fuel;

- it enables Wisconsin's state-inspected meat industry to sell their products throughout the country. Wisconsin meat producers have been seeking to lift a prohibition on interstate meat shipments from state-inspected manufacturers for some years, a restriction that makes no sense if the state is conducting plant inspections as good, or better, than federal inspectors, as is the case in Wisconsin;

- it requires that importers of dairy products contribute to the dairy promotion programs that all US dairy farmers must pay into;

- it closes the Enron loophole, under which major global oil traders speculate on oil and natural gas prices on the Inter Continental Exchange with no regulation, by empowering the Commodity Futures Trading Commission to regulate the exchange;

- it provides more than \$10 billion in additional nutrition assistance to combat the growing problem of hunger in America brought on by the economic downturn and skyrocketing food prices;

- it provides additional investments in rural sewer and water programs, including \$120 million to help reduce the backlog in water and wastewater applications from small communities that may not have a big enough tax base to afford investments they need to make;

- it reduces the subsidy for corn ethanol while encouraging production of cellulosic ethanol, which will provide alternative fuels without squeezing food production and includes incentives for biofuel refineries to promote production of alternatives to foreign oil;

- it provides new research programs for specialty crops such as cranberries, potatoes and ginseng, encourages better nutrition through the inclusion of fresh fruits and vegetables in school lunches and supports state efforts to support specialty crops through research, marketing, education and pest and disease management;

- it creates a permanent disaster assistance program to replace costly and inefficient ad hoc disaster assistance;

- it strengthens and extends country of origin labeling, including ginseng labeling provisions Obey sponsored with Senator Russ Feingold;

- it includes important new investments to help farmers expand conservation practices.

“I wish this bill did more to rein in payments to wealthy western farmers, but it's a step in the right direction and it's better than what we've got now,” Obey concluded.

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